

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re Application of: JOHNSON, Ronald F. M. : Examiner: GORT, Elaine.  
Serial No.: 09/769,294 : Art Unit: 3627  
Filing Date: January 26, 2001 : Confirmation Number: 4829

For: System and Methods for On-Line, Real-Time Inventory Display, Monitoring, and Control

**DECLARATION OF GARRISON REEVES ELLAM UNDER 37 C.F.R. §1.132**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

SIR:

I, Garrison Reeves Ellam declare and say as follows:

I am a citizen of the United States of America and reside at 473 Elgin Road, Elgin, Arizona, USA 85611

I am the owner of Domaines Ellam, Inc., The Village of Elgin Winery and Four Monkey Wines located in the Sonoita AVA, Elgin, Arizona, USA. We are currently the largest bonded winery in Arizona. Our primary area of expertise is the sale and manufacturing of wine. In my capacity as CEO, I oversee all sales, marketing and information technology systems of the organization. I have used inventory management and control systems throughout my current employment and for at least the last 8 years. As a result of my education and work experience, I am and have been familiar with the state of the art in inventory management and control systems.

As you can see, I have significant experience in both the "bricks and mortar" (i.e. traditional) and online retail spaces, and especially in the sales and marketing of goods to both resellers and consumers. My experience extends well in advance of both the January 26, 2001 filing date, and the January 26, 2000 effective filing date, of the above-referenced patent application. A significant impediment to any sales force is meeting and exceeding customer expectations - dissatisfied customers frequently will not stay customers for long. In highly competitive industries such as liquor sales, one important aspect of meeting customer

expectations is being able to provide timely and accurate inventory information to their customers. For example, in my industry, a patron may make an advance reservation with a restaurant and request that one or more bottles of a specific wine vintage be served during the meal. Traditionally, a salesperson would visit the restaurant with some regularity, and during such a visit the restaurant would inform the salesperson of the request. The salesperson would then call our office to confirm that the requested bottle(s) were available. The salesperson would then finalize the order with the restaurant and head back to the office, where the transaction details would be entered into our system. Unfortunately, it was not uncommon for the bottle(s) requested by the patron to have been sold by another salesperson that same day, or for accidents to occur which reduced the number of available bottles on hand to less than was requested by the patron. This created a difficult customer service problem, because the salesperson had committed to providing the bottle(s), and had even confirmed that they were available, yet was forced to call the restaurant and tell them that the order would have to be canceled.

We became aware of the commercial embodiment of the invention described in the above-referenced patent application in early 2001, and began rolling it out shortly thereafter. It met and exceeded our expectations, because for the first time our mobile sales force was able to obtain real-time inventory information at the customer's site, and reserve the appropriate bottles while the order was being placed. This meant that, for the first time, our salespeople were able to obtain the real-time inventory information they needed to meet the customer's needs, and to obtain it without involving someone in our home office, which reduced our overhead costs and streamlined the information acquisition process significantly. It also solved the problem of multiple salespeople selling the same bottle(s) of wine, because the bottles were immediately placed on reserve. This allowed other salespeople to dynamically track inventory levels and provide the accurate, real-time inventory information they needed because the reserved inventory was deducted from the "available" inventory levels that were presented to the salespeople. The commercial embodiment of the invention significantly increased our customer satisfaction levels and helped improve our profits well beyond what was possible prior to the invention.

I wish to note that I am not related to the inventor of Pending Application, nor have I had any personal involvement in the development of the technology in the Pending Application. Furthermore, I have no legal or financial interest in Penndulum, Inc., or any other company that has the license to commercialize the Pending Application.

The undersigned declares further that all statements made herein of his own knowledge are true and that all statement made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statement may jeopardize the validity of the application or any patents issuing thereon;

Further declarant saith not.

  
26 April 2008

  
Garrison Reeves Ellam